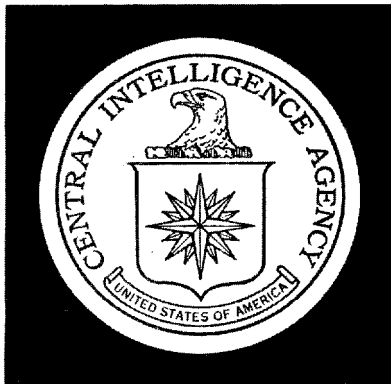


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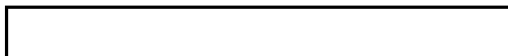
## MEMORANDUM

### *The Situation in Vietnam*

**Top Secret**

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29 March 1967



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Information as of 1600  
29 March 1967

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### HIGHLIGHTS

A Communist officer who rallied in late March has provided details on a planned Viet Cong summer offensive in several provinces of Military Region 5 in northern South Vietnam.

I. The Military Situation in South Vietnam:  
A recent rallier has revealed details of the planned Viet Cong summer offensive in Military Region 5 (Paras. 1-3). A record high of 2,774 Communists killed was recorded for the week ending 25 March (Para. 5). Weekly South Vietnam battle statistics (Para. 6).

II. Political Developments in South Vietnam:  
Recently captured documentary evidence tends to confirm previous indications that the Viet Cong are increasing their purchase of supplies in Cambodia (Paras. 1-5).

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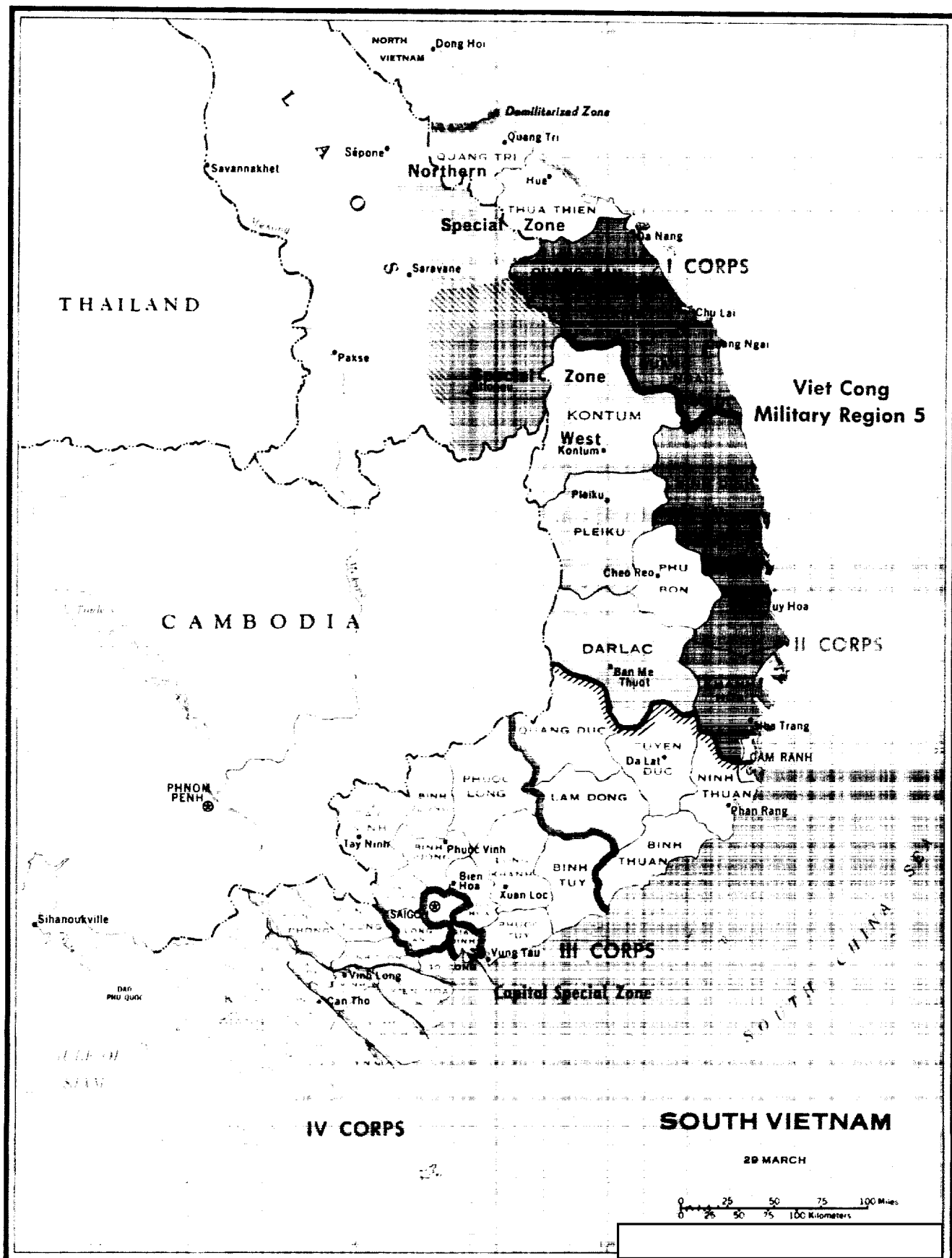
IV. Other Communist Military Developments: There is nothing of significance to report.

V. Communist Political Developments: There is nothing of significance to report.

VI. Other Major Aspects: Truck traffic into the Laotian panhandle has continued at a fairly high rate during March. (Para. 1).

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I. THE MILITARY SITUATION IN SOUTH VIETNAM

25X1 1. A preliminary field interrogation of a Communist [ ] provided details on the planned Viet Cong summer offensive in the provinces of Quang Nam, Quang Tin, and Quang Ngai in Military Region (MR) 5. The source reported that the summer campaign will begin on 15 April and continue through September. One main objective is the Ba To Special Forces camp. [ ]

25X1 [ ] The campaign will also aim at the disruption of pacification actions with attacks targeted specifically against RD teams. The Communists are also planning to strengthen their own village defenses as much as possible to block allied incursions.

25X1 2. [ ] also provided some confirmation of previous reports on the organization and command structure in MR 5. He claimed that MR 5 consists of a main region and two special zones. The Northern Special Zone consists of Quang Tri and Thua Thien provinces and Central Laos and is controlled by Hanoi. Special Zone West consists of Kontum, Pleiku, and Dar Lac provinces and southern Laos. It, too, is controlled from Hanoi. North Vietnamese General Chu Huy Man is the local commander of this special zone, according to this rallier and several other prisoners of war.

3. The main region of MR 5, according to the defector, consists of Quang Nam, Quang Tin, Quang Ngai, Binh Dinh, Phu Yen, and Khanh Hoa provinces. MR 5 is commanded by North Vietnamese Lieutenant General Hoang Van Thai, according to the source. The former commander, Major General Nguyen Don is now deputy commander. General Thai, who is also a Vice Minister of defense and deputy chief of the General Staff of the North Vietnamese Army as well as a full member of the central committee of the Vietnam Workers Lao Dong Party, has not appeared in public in the DRV since 1 March 1966.

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Weekly Review of South Vietnam Battle Statistics

4. A record 2,774 Communist troops were reported killed in the week ending 25 March. The previous record of enemy dead was 2,675, set the week of 12-18 March. These record-setting tolls can be attributed, in part, to the heavy enemy losses as the result of the two unsuccessful regimental-size attacks against US forces in South Vietnam's III Corps area last week.

5. American casualties for the week of 18-25 March, although high at 1,593, are down from last week's record-setting total of 2,087. Many of these casualties were a result of the heavy military activity in northern Quang Tri Province last week.

6. The week of 19-25 March compared with the week of 12-18 March:

I. Viet Cong Incidents

	<u>12-18 March</u>	<u>19-25 March</u>
Attacks	61	45
Regimental.....	0	2
Company.....	1	9
Harassment	442	404
Terrorism	28	25
Sabotage	12	17
Propaganda	10	10
Antiaircraft	<u>231</u>	<u>364</u>
TOTAL INCIDENTS	784	865

II. Casualties

	<u>VC/NVA</u>		<u>GVN</u>	
	<u>12-18 Mar</u>	<u>19-25 Mar</u>	<u>12-18 Mar</u>	<u>19-25 Mar</u>
Killed	2,675	2,774	357	203
Wounded	-----	-----	752	633
Missing/ Captured	<u>      *</u>	<u>      *</u>	<u>117</u>	<u>207</u>
TOTALS	2,675	2,774	1,226	1,043

	US		FREE WORLD	
	12-18 Mar	19-25 Mar	12-18 Mar	19-25 Mar
Killed	211	274	5	10
Wounded	1,869	1,319	32	43
Missing/ Captured	<u>7</u>	<u>0</u>	<u>0</u>	<u>1</u>
TOTALS	2,087	1,593	37	54

III. Weapons Captured

	VC/NVA		GVN	
	12-18 Mar	19-25 Mar	12-18 Mar	19-25 Mar
Individual	1,966	Not	340	163
Crew-Served	<u>96</u>	Reported	<u>10</u>	<u>6</u>
TOTALS	2,062		350	169

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\*Field reporting of enemy captured figures is now based on a monthly count of POWs held in POW camps. Figures for enemy captured will thus be incorporated in the monthly "Personnel Losses" chart which appears in the Situation in South Vietnam.

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## II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. A series of captured Viet Cong documents listing expenditures, past and future, in both South Vietnamese piasters and Cambodian riels tend to confirm previous indications that the Communists purchase supplies in Cambodia.

2. Most of the documents, captured during Operation JUNCTION CITY, pertain to units subordinate to the Central Office for South Vietnam (COSVN) which are headquartered along the Cambodian border in Tay Ninh Province and which operate both in and near Cambodian territory. The documents provide an indication not only of a planned increase in all expenditures for 1967, but also a significant increase in the proportion of Cambodian currency to be used. Some four percent of the COSVN engineer section's expenditures during 1966, for example, were spent in riels, while the section's budget for 1967 calls for a 56 percent expenditure in riels. This 1967 budget covers expenses for "combat purposes," training, and purchasing supplies.

3. Two other 1967 budget estimates, both prepared by the 47th Battalion, a technical reconnaissance unit apparently subordinate to COSVN, provide a similar example of the increase in riel expenditures. One of the estimates, prepared in September 1966, allows for total expenditures equaling US \$18,121, some three percent of which were to be in riels. The second estimate of the same unit's 1967 expenses, prepared two months later, however, allows for expenditures equaling US \$44,506 and this time allots 64 percent of the budget to riels.

4. This great increase in both estimated expenses and the proportion of Cambodian currency to

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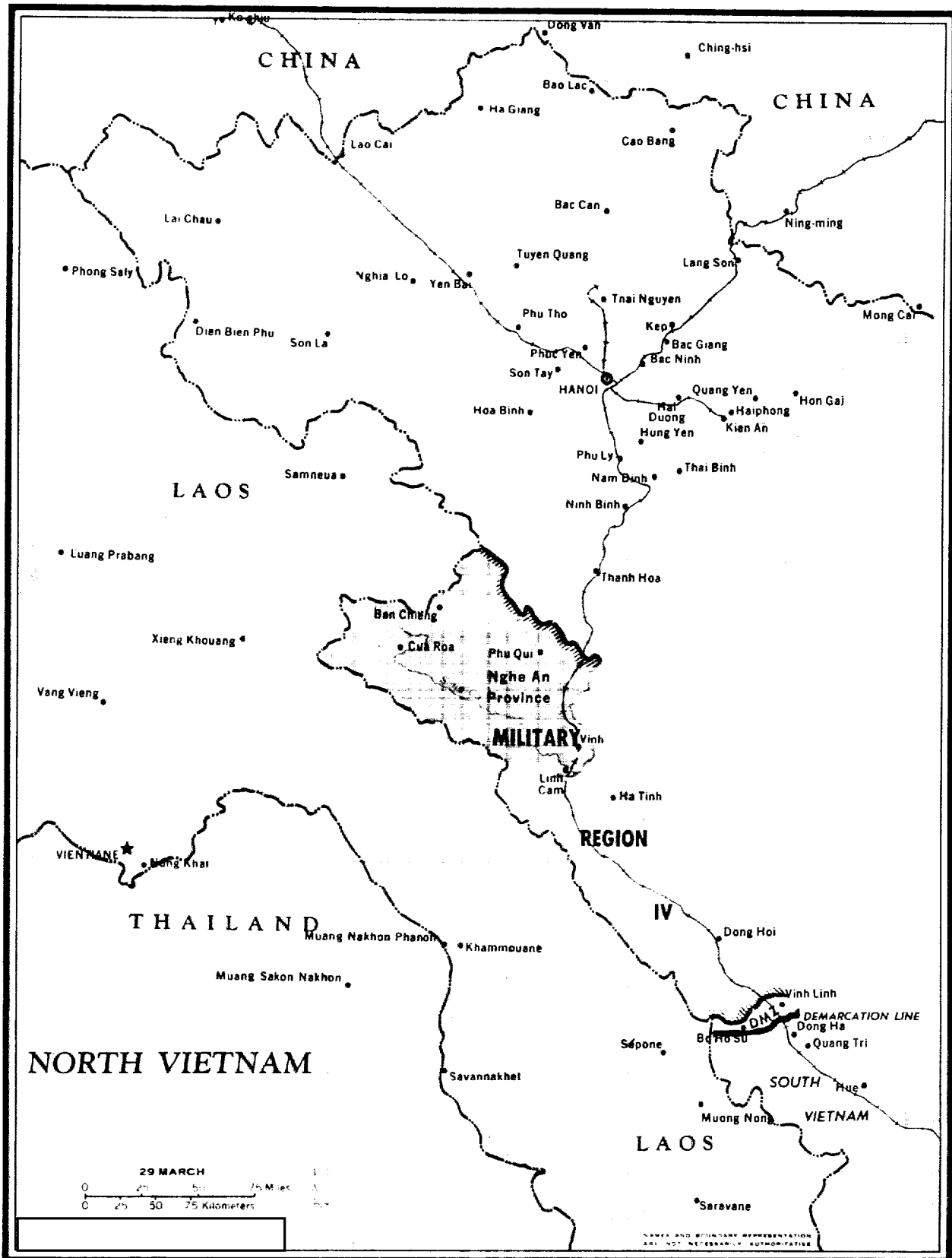


be used was probably the result of a re-evaluation of the battalion's needs and of the availability of supplies in South Vietnam. This applies as well to the other COSVN organizations which plan to increase both their expenditures and those to be made in Cambodian currency. Allied military operations have destroyed Communist bases and supply caches, necessitating increased repair and replacement. These same operations, along with police resources control activities, have also made buying supplies in South Vietnam more difficult.

5. One of the documents stated that supplies were to be "furnished by a supply element operating in a foreign country," evidently Cambodia. The supply element referred to may be one of several ostensibly legitimate businesses previously reported to have been established for the express purpose of supplying the Viet Cong. The documents provide no indication of the origin of the riel, but probably most are purchased in Hong Kong. A small proportion may also be obtained through tax collections among Vietnamese residents in Cambodia.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

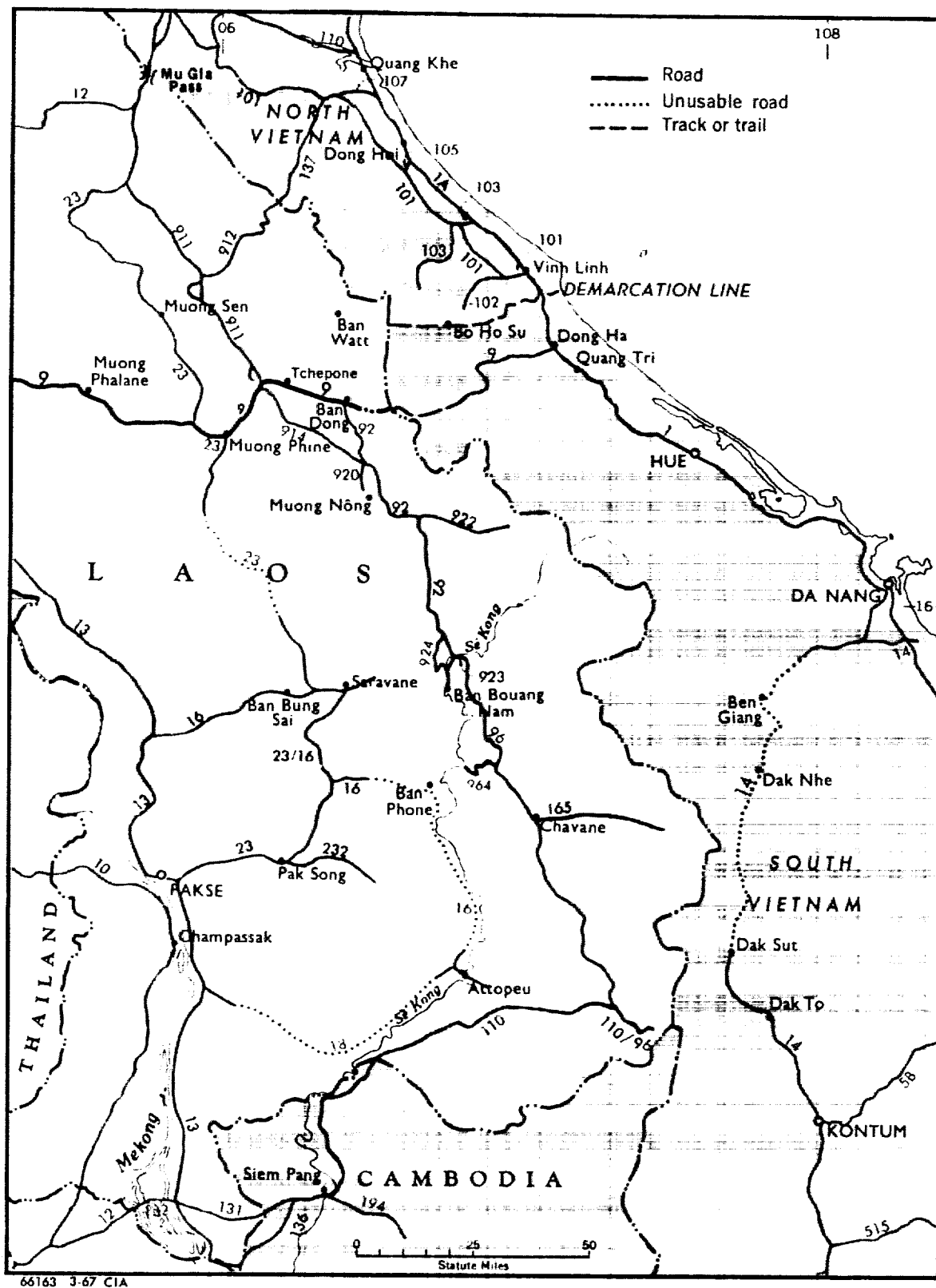
V. COMMUNIST POLITICAL DEVELOPMENTS

1. There is nothing of significance to report.

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# LAOS PANHANDLE



VI. OTHER MAJOR ASPECTS

1. Communist truck activity into the Laotian panhandle has continued at a fairly high level during March. Ground observers report the bulk of the traffic is in and just south of the Mu Gia Pass. Considerably fewer trucks have been observed by ground teams below Route 9 in the southern portion of the infiltration corridor. This may be due in part to the difficulty of obtaining complete coverage by ground observers along roads below Route 9. Observations from the air of truck traffic south of Route 9 have been considerably higher than reported by ground observers. Reports from friendly guerrilla teams [redacted] point to a high level of supply activity into the Communist storage areas in Laos near the South Vietnamese border. Large amounts of fuel, foodstuffs, and munitions probably continue to be moved unobserved to these base areas and to be stockpiled there.

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